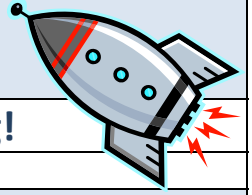


COUNTDOWN: 7 CFR 3555



Get ready for September 1, 2014.....It's really happening!

February 2014 Issue 1

Information from the Single Family Housing Guaranteed Loan Program (SFHGLP)!

NEWS: ANNOUNCING THE FUTURE OF THE GUARANTEED LOAN PROGRAM!

On December 9, 2013, the Federal Register published 7 Code of Federal Regulations (CFR) Part 3555, "Guaranteed Rural Housing Program." The new regulation sets forth policies for the SFHGLP as authorized by Section 502(h) of the Housing Act of 1949, as amended. It replaces RD Instruction Part 1980 Subpart D and ushers in important changes (*some listed in the "Dig In!" section below*) that position the program to meet the needs of today's rural homebuyers. The "3555" becomes effective for all complete loan applications received by USDA on or after September 1, 2014.

This "Countdown: 7 CFR 3555" newsletter is a key communication to assist the Agency and our lending and real estate partners to plan and execute a successful transition from RD Instruction Part 1980 Subpart D to 7 CFR Part 3555! It is just one of the new communication and training tools that the Single Family Housing Guaranteed Loan Division will make available to you ahead of the September 1, 2014 effective date. Electronic mail ListServ notifications will also be used to deliver important announcements. To sign up for ListServ follow these steps:

1. Log on to: <http://www.rdlist.sc.egov.usda.gov>
2. Enter your email address.
3. Select the boxes next to the ListServ subscriptions you wish to receive. The following are recommended: "SFH Origination News," "SFH Guaranteed Underwriting System (GUS) News" and "SFH Servicing News."
4. After your selections have been made, scroll to the bottom of the webpage and select "Subscribe." You may unsubscribe at any time.

7 CFR Part 3555 is available for review online at: <http://www.gpo.gov/fdsys/pkg/FR-2013-12-09/pdf/2013-29084.pdf>.

In addition, a handbook will be published in the future that breaks down the full regulation into easy to review chapters. Be sure to read future issues of "Countdown: 7 CFR 3555" for details regarding the handbook and other resources.

DIG IN! A few morsels to whet your appetite for the 3555!



As we bid farewell to RD Instruction 1980-D, rest assured there is plenty to celebrate about the 3555! Here are just a few highlights of the changes you can expect on September 1, 2014!

7 CFR Part 3555 will:

- Open up lender eligibility for approved lender status to additional Federally supervised lenders, such as members of the FDIC, NCUA, OTS, OCC, and the FHLB, helping us better serve rural homebuyers.
- Introduce a construction-to-permanent loan feature to encourage construction lending in rural areas with less risk to lenders who will soon be able to get a loan note guarantee PRIOR to construction!
- Eliminate restrictions on dwellings with in-ground pools.
- Eliminate flood elevation certificates for dwellings located in flood zones.
- Introduce delegated authority to eligible servicing lenders that will allow them to approve loss mitigation and property disposition plans without Agency review and provide immediate assistance to rural homeowners!

Look for additional details in future issues of "COUNTDOWN: 7 CFR 3555!"



TRAINING

7 CFR Part 3555

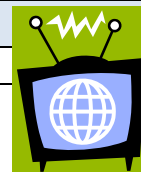
Live training will be provided. At this time no dates have been scheduled. Please read future issues of "Countdown: 7 CFR 3555" for more details.

RD Instruction Part 1980 Subpart D

No future live trainings are scheduled. Recorded trainings and resources remain available on USDA LINC's "Training and Resource Library" for new lender training, loan origination documentation, GUS training, automated lender loan closing, and loss claim administration and servicing. Access these and more at:

<https://usdalinc.sc.egov.usda.gov/USDALincTrainingResourceLib.do>.

COMING SOON



USDA Agency Employees:

- Teleconferences for discussion, frequently asked questions, etc.

USDA Agency Employees, Lending and Real Estate Professional Partners:

- February Issue "Countdown: 7 CFR 3555"

Additional announcements and materials may be released through ListServ, so make sure you are signed up as mentioned above in the "News" section of this newsletter.

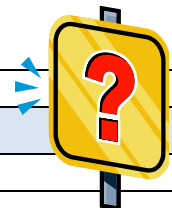
REMINDERS

7 CFR Part 3555 is effective for all complete loan applications submitted to USDA on September 1, 2014.

RD Instruction Part 1980 Subpart D along with applicable Administrative Notices (AN) remains effective for all complete loan applications submitted to USDA through August 31, 2014. Current regulations and AN's may be located online at:

<http://www.rurdev.usda.gov/RegulationsAndGuidance.html>.

Sign up online for ListServ announcements: <http://www.rdlist.sc.egov.usda.gov>.



CONTACTS

State Guaranteed Loan Coordinators phone and email contact information may be located at:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=GetRHContact&NavKey=contact@12>.

National Office Headquarters: 202-720-1452

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